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CIA rapped in S. Af arms deal

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WASHINGTON — The Central Intelligence Agency did not adequately enforce the US arms embargo against South Africa, and may have actually aided a Vermont-based company's efforts to ship illegally \$19 million worth of arms to that country between 1976 and 1978, according to a House Foreign Affairs subcommittee.

In a 46-page report released yesterday, the subcommittee outlined how Space Research Corp. of North Troy, Vt., shipped advanced and strategically important artillery equipment and technology to South Africa, which practices apartheid, for use in the war in Angola.

Also singled out in the report as not adequately enforcing the embargo were the Departments of State and Defense. But it was the CIA that came in for harshest criticism.

At the very least, this episode suggests serious negligence on the part of the [CIA], the report said. "At most, there is a possibility that elements of the CIA purposefully evaded US policy."

The report said that a "probable" CIA agent worked directly with South African arms officials to bypass the US arms embargo in connection with the Space Research deal.

The report, which resulted from a two-year congressional investigation, accused the US Army of following lax procedures, and the State

Department of misapplying its own regulations which "encouraged" the Vermont-based firm "to proceed with their plans to ship arms to South Africa."

Spokesmen for the Army and State Department could not be reached for comment yesterday. The CIA, in a letter from its general counsel, Stanley Sporkin, denied any involvement in the affair. In that letter, portions of which were printed in the congressional report, the CIA stated "total lack of any agency participation and or advanced knowledge" of the sales.

In 1979, published reports in The Boston Globe and elsewhere indicated that Space Research Corp., located on the Vermont-Canadian border, was under investigation by the Justice Department for allegedly breaking the 1963 American arms embargo against South Africa.

The company was alleged to have sold to that government advanced artillery guns and shells, as well as the expertise allowing South Africa to establish its own artillery manufacturing capability.

But according to the report, the "poor performance of US foreign policy agencies in the Space Research case seriously weakened the Justice Department's 1980-81 criminal case" and resulted in the acceptance of a plea bargain in which the two top officers of Space Research received four- and 4½-month terms at minimum-security prisons.

In criticizing the CIA, the report said, "At the CIA, a preoccupation with the immediate bureaucratic need to move arms efficiently into Angola through South Africa appeared to supersede the larger US policy of enforcing the arms embargo against South Africa."

The report also found it "probable" that an American defense consultant working for the CIA's covert action program in Angola planned with South African officials for the shipment of arms from the United States to South Africa for use in Angola.